

Title: Retailer Selection Criteria

Purpose

Businesses applying for authorization as WIC retailers must meet specific criteria before being approved. Retailers must maintain these standards throughout their contract period.

Authority

7 CFR 246.12(g)

Policy

Selection criteria ensure that the Montana WIC Program authorizes an appropriate number and distribution of vendors in order to ensure the lowest feasible food prices consistent with adequate participant access to supplemental foods and to ensure effective State agency management, oversight, and review of authorized vendors.

I. Initial Application Standards

- A. Has passed the most recent inspection by the local sanitarian.
- B. Within the last six (6) years, neither the business nor any of its owners, officers or managers has been convicted of or had a civil judgment entered against them for any activity indicating a lack of business integrity.
- C. Is currently (Montana Supplemental Nutrition Assistance Program) SNAP authorized.
- D. Their food prices are equal to or under the maximum allowed for their potential peer group.
 - 1. Competitive prices are required by federal regulations.
 - 2. Competitive prices allow a price limit per peer group to exist creating a funding limit, per food package, which helps maximize available funds.
- E. Their infant formula prices are equal to or under the maximum allowed for their potential peer group.
- F. To ensure the safety of infant formula, it must be purchased from the Montana WIC Programs approved list of formula distributors. This list is shared with all authorized WIC retailers and Retailer-pharmacies at least once every federal fiscal year and is posted on the MT WIC website.
- G. The vendor must be a primary retailer of groceries and stock a variety of foods in each of the following staple food groups on a continuous basis:
 - 1. Fresh or frozen meat, poultry and/or fish (pre-packaged luncheon meats do not apply)
 - 2. Bread and cereal
 - 3. Fresh fruit and vegetables, and frozen vegetables
 - 4. Dairy products.
- H. Has the minimum stock of WIC approved foods required by the Montana WIC Program.

1. Retail locations must stock approved foods and the minimum approved formulas.
2. Retailer-Pharmacies must stock the required minimum and variety of approved WIC foods and access to the following formulas within 72 hours:
 - a. Alimentum, in 16-oz powdered, 32-oz ready-to-feed
 - b. Enfacare Lipil, in 12.8-oz powdered, 32-oz ready-to-feed
 - c. Neosure, in 12.8-13.1-oz powdered, 32-oz ready-to-feed
 - d. Nutramigen Enflora LGG, 12.6-oz powdered
 - e. Nutramigen Lipil, 16-oz powdered, 13-oz concentrate, 32-oz ready-to-feed
 - f. Pediasure, in 8-oz ready-to feed
 - g. Pediasure with fiber, in 8-oz ready-to-feed
 - h. Pregestimil Lipil, in 16-oz powdered
 - i. Similac for Spit Up in 12.3-oz powdered, 32-oz ready-to-feed
 - j. Other formula generally available through usual pharmaceutical suppliers.
- I. Provides current 1-Stop/Tribal License, proof of Workers Compensation and Liability Insurance.
- J. Based on Local Agency input and regional assessment, it is determined that there is a need for an authorized WIC retailer in the requested area.
- K. No barrier to service exists.
- L. Receive or be expected to receive no more than fifty percent (50%) of their total annual food sales from WIC transactions.
- M. An owner, officer, or partner of a retailer must not have bought or sold a store in order to avoid a WIC sanction.
- N. Inform the Department of any potential or real conflict of interest between WIC staff, either state or local, and Contractor personnel. Conflicts of interest may include, but are not limited to, the following:
 1. Employing a state or local WIC agency staff member or spouse, son, daughter, parent or sibling of a local or state WIC agency staff member.
 2. Giving a fee or gift to a local or state WIC program staff member in exchange for being provided WIC information, for WIC staff action that would materially benefit the contractor, or for preferentially promoting the contractor. (Note: donations to a promotional event encouraging WIC participation are not considered to create a conflict of interest).
 3. Accepting, either directly or through a relative, a substantial gift of financial assistance from a local or state WIC staff member.
 4. Entering into a business transaction with a local or state WIC staff member or allowing such a staff member to acquire a financial interest in the contractor.

II. Application Window

- A. Retailers new to the Montana WIC Program may apply for authorization at any time during the federal fiscal year.

III. Application Denial

- A. Retailers are selected to meet the needs of the Montana WIC Program and its participants. Retailers do not automatically have the “right” to participate.

IV. Criteria Waiver

- A. Criteria have been established to select WIC retailers. If there are no WIC authorized retailers in an area, denial based upon the selection criteria may be waived. A waiver may be considered for the selection criteria if undue hardship for participant, as determined by the State, would result if this applicant were not approved as a MT WIC retailer.
- B. No exceptions will be made for applicants that do not meet the competitive price criteria or the minimum stocking variety and quantity of approved supplemental foods.

V. Change of Ownership

- A. The authority to participate in the Montana WIC Program is not transferable. The Montana WIC Program must be notified in writing of any change of ownership. A change of ownership can be, but is not limited to:
 - 1. A partial change of ownership (i.e., one partner buying out another).
 - 2. A complete change of ownership (i.e., an outside interest purchases the business).
 - 3. A change in corporate structure (i.e., going from ‘sole proprietor’ to ‘corporation’).
- B. Whenever the Federal Employer Identification Number (FEIN) changes, the retailer must re-apply for WIC authorization as an initial applicant. Failure to do so will result in loss of WIC authorization.
- C. The Montana WIC Program may not authorize an applicant if it is determined that the business was sold to circumvent a WIC sanction. If such determination is made after authorization is granted, the authorization (WIC Agreement) will be terminated.

VI. Change of Location

- A. A change of location may affect the WIC authorization. The Montana WIC Program must be notified in writing of any change of location. Authorization will not be affected if:
 - 1. The ownership remains the same.
 - 2. The old location is being closed, and the new location is considered a ‘replacement’ location.
 - 3. The new location is within two (2) miles of the old location.
- B. Failure to notify the Montana WIC Program of a change in location will result in loss of WIC authorization.